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## Turkey

### Cotton and Products Update

#### November 2013 Cotton Update

**Approved By:**

Jess K. Paulson, Agricultural Attaché

**Prepared By:**

Ibrahim Sirtioglu, Sr. Agricultural Marketing Specialist

**Report Highlights:**

The marketing year (MY) 2013 Turkish cotton crop remains estimated at 330,000 hectares and 490,000 metric tons (MT), or 2.2 million bales. Fields in the GAP region were affected by excessive rains, frost following planting, and bug damage during summer, resulting in lower yields. Higher than expected yields in the Aegean and Cukurova regions however, prevented further decline in total production. Domestic cotton consumption is expected to reach 1.37 million metric tons (MMT), or 6.3 million bales, due to increased demand. Total imports during MY 2012 were 803,000 MT (3.6 million bales) of which 456,000 MT (2.1 million bales) were US cotton. Availability of GSM-102 Credit Guarantee Program played an important role in U.S. exports to Turkey. Total registration under the program for cotton reached US\$ 228 million during the first eleven months of the fiscal year (FY) 2013.

**Post:**

Ankara

### **Production**

MY 2013 cotton area and production in Turkey are about 330,000 hectares and 490,000 MT. Yields and production declined significantly in the GAP region due to excessive rains and frost in the beginning of the season that forced farmers to replant, and bug damage during summer. Other regions, Aegean and Cukurova, had a good start to the season and higher than projected yields which compensated somewhat for the decline. Turkey had participated in to the Better Cotton Initiative this year and produced about 13,500 MT under the program.

### **Consumption**

MY 2013 domestic cotton consumption is expected to be 1.37 MMT (6.3 million bales). Turkish mills are receiving some of the demand lost by North Africa following the political turmoil in the region. Despite the lower margins in recent months, Turkish mills are consistently investing in new machinery and renewing their plants to lower costs and increase production. Turkey is estimated to have replaced 1 million old spindles in 2012 and 2013. As a result, the total production capacity of Turkish mills increased to 4 million spindles. Turkish mills are benefiting from modern technology and geographical proximity to the European Union, the Middle Eastern, and North African markets.

### **Trade**

Total cotton imports for the MY 2012 were 803,760 MT (3.6 Million bales) up significantly compared to 518,610 MT of last year. The U.S. provided about 57 percent of imports 456,663 MT (2.1 million Bales). Turkmenistan (104,442 MT), Greece (94,480MT), and Brazil (56,055 MT) were the other leading suppliers. Official imports of Syrian cotton reached 21,451 MT in MY 2012.

Imports during the first two months of MY 2013 were about 75,545 MT (0.3 Million bales). The U.S. and Turkmenistan were the leading sources with 36,714 MT and 23,848 MT, respectively.

GSM-102 credit guarantee program continues to play a critical role in U.S. cotton sales to Turkey.

During FY 2013 (as of August 31) Turkish cotton importers registered US\$ 228 million of U.S. cotton under the program, which represents about 31 percent of Turkey's total usage of the program.

MY 2012 Turkish total cotton exports (including hydrofoil cotton for medical use) reached 47,364 MT, of which 14,779 MT were lint cotton for textile use and the rest (32,605 MT) were hydrofoil cotton for medical use. About 4,000 MT in exports were to the Mersin Free Trade Zone, which can be imported back in to the country later. Indonesia (2,315 MT) and Bangladesh (1,280 MT) were the other leading export destinations. Total cotton exports during the first two months of MY 2013 were 8,046 MT, of which 2,778 MT were lint cotton and Mersin Free Trade Zone was the main destination with 2,517 MT. Hydrofoil cotton exports were about 5,268 MT during the same period.

### **PSD, Cotton (MT)**

Turkey Cotton (HECTARES)(MT)						
	2011	Revised	2012	Estimate	2013	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		Aug-11		12-Aug		13-Aug
Area Planted	490,000	490,000	410,000	410,000	330,000	330,000
Area Harvested	490,000	490,000	410,000	410,000	330,000	330,000
Beginning Stocks	200,245	200,245	193,618	193,618	178,618	180,014
Production	770,000	770,000	580,000	580,000	490,000	490,000
Imports	518,610	518,610	775,000	803,760	900,000	920,000
MY Imp. from U.S.	252,663	252,663	430,000	456,663	450,000	500,000
TOTAL SUPPLY	1,488,855	1,488,855	1,548,618	1,577,378	1,568,618	1,590,014
Exports	65,237	65,237	45,000	47,364	40,000	40,000
USE Dom. Cons.	1,230,000	1,230,000	1,325,000	1,350,000	1,350,000	1,375,000
Loss Dom. Cons.	0	0	0	0	0	0
TOTAL Dom. Cons.	1,230,000	1,230,000	1,325,000	1,340,000	1,350,000	1,375,000
Ending Stocks	193,618	193,618	178,618	180,014	178,618	175,014
TOTAL DISTRIBUTION	1,488,855	1,488,855	1,548,618	1,577,378	1,568,618	1,590,014

### PSD Cotton (Hectares) (bales 1,000)

Cotton	Turkey		2011/2012		2012/2013		2013/2014	
	Market Year Begin: Aug 2011		Market Year Begin: Aug 2012		Market Year Begin: Aug 2013			
	USDA Officia l	New Post	USDA Officia l	New Post	USDA Officia l	New Post		
Area Planted	0	490	0	410	0	330		
Area Harvested	490	490	410	410	330	330		
Beginning Stocks	1,319	919	1,241	888	1,423	825		
Production	3,440	3,534	2,600	2,662	2,250	2,250		
Imports	2,382	2,380	3,800	3,690	4,100	4,223		
MY Imports from U.S.	0	1,160	0	2,096	0	2,295		
Total Supply	7,141	6,833	7,641	7,240	7,773	7,298		

Exports	300	300	218	218	185	185
Use	5,600	5,645	6,000	6,197	6,200	6,310
Loss	0	0	0	0	0	0
Total Dom. Cons.	5,600	5,645	6,000	6,197	6,200	6,310
Ending Stocks	1,241	888	1,423	825	1,388	803
Total Distribution	7,141	6,833	7,641	7,240	7,773	7,298
Stock to Use %	21	15	23	13	22	12
Yield	1,529.	1,570	1,381	1,414	1,484	1,484

<b>Turkey</b>	<b>Cotton Imports (MT)</b>	
<b>Marketing Year</b>	<b>2012</b>	<b>2013</b>
<b>Time Period</b>	<b>Aug/July</b>	<b>Aug/Sept</b>
<b>U.S.</b>	456,663	36,714
<b>Turkmenistan</b>	104,442	23,848
<b>Greece</b>	94,480	2,522
<b>Brazil</b>	56,055	2,902
<b>Tajikistan</b>	30,668	0
<b>Syria</b>	21,451	404
<b>India</b>	7,478	930
<b>Uzbekistan</b>	5,608	3,554
<b>Azerbaijan</b>	4,935	0
<b>Argentina</b>	4,785	0
<b>Egypt</b>	3,972	374
<b>Mersin FTZ</b>	0	2,648
<b>Ivory Coast</b>	0	224
<b>Kazakhstan</b>	0	358
<b>Total of Others</b>	333,874	37,764
<b>Others not listed</b>	13,223	1,067
<b>Grand Total</b>	803,760	75,545

<b>Turkey</b>	<b>Cotton Imports (Bales)</b>	
<b>Marketing Year</b>	<b>2011</b>	<b>2012</b>
<b>Time Period</b>	<b>Aug/July</b>	<b>Aug/July</b>
<b>U.S.</b>	2,096,083	168,517
<b>Turkmenistan</b>	479,389	109,462
<b>Greece</b>	433,663	11,575
<b>Brazil</b>	257,293	13,320
<b>Tajikistan</b>	140,766	0
<b>Syria</b>	98,460	1,854
<b>India</b>	34,324	4,268
<b>Uzbekistan</b>	25,741	16,313
<b>Azerbaijan</b>	22,652	0
<b>Argentina</b>	21,953	0

<b>Egypt</b>	18,231	1,717
<b>Ivory Coast</b>	0	1,028
<b>Kazakhstan</b>	0	1,643
<b>Mersin FTZ</b>	0	12,154
<b>Total of Others</b>	1,532,472	173,334
<b>Others not listed</b>	60,701	4,897
<b>Grand Total</b>	3,689,258	346,748